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April 13, 2009

## **BY EMAIL**

Broadband Technology Opportunities Program U.S. Department of Commerce Rm 4812 1401 Constitution Avenue, NW Washington, DC 20230

Re: American Recovery and Reinvestment Act of 2009 Broadband Initiatives

NTIA and RUS Joint Request for Information

## Ladies and Gentlemen:

World Cable is pleased to have this opportunity to comment on the Joint Request for Information (the "ROI") published by the National Telecommunications and Information Administration ("NTIA") and the Rural Utilities Services ("RUS") on March 12, 2009. As discussed below, World Cable is seeks to assure that the communities it serves qualify for grants pursuant to the statutory goal of "provid[ing] improved access to broadband services to consumers residing in underserved areas of the United States". World Cable urges NTIA to construe the term "underserved" to recognize the needs of ethnically diverse populations residing in urban areas, who are frequently low-income and financially disadvantaged and who are currently not receiving affordable, sustainable services. World Cable further urges NTIA and RUS to recognize that not all "underserved" populations live in rural or remote areas, but can also live in quite urban settings, literally around the corner from "well-served" populations.

World Cable provides very cost effective, creative triple-play solutions to certain residential buildings in New York City. The triple-play solution provides a voice, video and data services at cost effective rates in buildings in New York City. World Cable upgrades the infrastructure in buildings throughout New York where the incumbent local exchange carrier (ILEC) has no current upgrade plans and provides new services to the residents, mostly immigrants, at affordable prices that include content from their nations of origin. World Cable provides a very secure, cost effective Internet access service operating at up to 150 times the speed of dial up Internet access and up to two times as fast as dsl. Residential and small business customers are capable of securely using World Cable's services anywhere in their homes and common areas. For the past 5 years, World Cable has contracted with residential property developers in New York City to provide a triple play of services in residential multi-family dwelling complexes

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encompassing nearly 30,000 residential units. Although World Cable currently has networks deployed only in properties in New York City, it is looking to expand its services to other major urban areas.

The American Recovery and Reinvestment Act of 2009 (the "Act") allocated a total of \$4.7 billion to NTIA for a new Broadband Technology Opportunities Program ("BTOP"). The Act sets forth that the BTOP is intended to provide improved broadband access in "underserved areas." In support of the effort to provide broadband service to "underserved areas" the BTOP funds may be utilized to provide broadband education, training, access, equipment, and support to organizations that provide outreach, access, equipment, and support services to facilitate greater use of broadband service by low-income, unemployed, aged, and otherwise vulnerable populations and stimulate the demand for broadband, economic growth, and job creation. Consistent with these objectives, BTOP competitive grants are available, among other things, for acquisition of broadband equipment, instrumentation, networking capability, hardware and software, digital network technology, and infrastructure; deployment of broadband services and related infrastructure; facilitating access to broadband by low-income, unemployed, aged, and "otherwise vulnerable" populations in order to provide educational and employment opportunities; and other matters consistent with the purposes behind BTOP.

As Free Press noted in a report published as recently as April 7, 2009<sup>1</sup>,

"[f]or many urban residents, high-speed Internet services, which typically cost \$40 to \$60 per month, are simply too pricey. Compounding the Internet access problem, many people are unable to afford a computer or lack the skills to navigate the Web. And just like their rural counterparts, some urban areas have been redlined by Internet service providers that refuse to offer service to communities that may not provide as large a financial return. Many urban residents are locked out, unable to participate fully in the digital era. They're prevented from applying for jobs, telecommuting, taking online classes or even finishing their homework. It's becoming increasingly clear that Internet connectivity is key to a sound economy and could assist those hit hardest by the economic downturn."

It is therefore critical that the NTIA and RUS consider the economically disadvantaged living in large, urban centers when establishing a definition of what is "underserved." The Joint Explanatory Statement released by the Congressional conferees confirms than, in evaluating each application, NTIA must consider whether an

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<sup>&</sup>lt;sup>1</sup> "Wired Less: Disconnected in Urban America," released April 7, 2009, available at <a href="www.freepress.net">www.freepress.net</a>.

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infrastructure grant will increase the affordability of, and subscribership to broadband. Clearly, then, the mere availability in an urban area of a multiplicity of broadband providers does not mean that particular pockets and communities within the area are not "underserved" or that BTOP applicants who are prepared to build new infrastructure targeted to, and priced for, lower income areas should not be funded even where other providers may have facilities being offered at prices that simply do not meet the needs of this segment of the population. This population should not be forgotten as these definitions are established. Companies like World Cable are offering creative solutions for the disadvantaged members of our society, and with such technological opportunities each of those residents is able to put themselves in a position to succeed. "Although Internet usage is in general becoming more widespread, access remains deeply structured along existing lines of social inequality. Income, gender, geography (especially urban/rural location), race/ethnicity, level of education, age—all continues to be significant predictors of access and skill levels."<sup>2</sup> Without access like the services provided by World Cable, the "digital divide" for this population will only continue to widen.

Updating broadband access in the multiple dwelling unit complexes (MDUs) in which these vulnerable residents live is a highly efficient way to implement the goals and policies of the Act. Grant funds would be used for acquisition of broadband equipment, instrumentation, networking capability, hardware and software, digital network technology, and infrastructure and to deploy broadband services and related infrastructure. Indeed, but for the availability of BTOP funding, it can be virtually impossible to sustain a business case that allows for the lower pricing that Free Press notes will be an *essential* element of closing the "broadband" gap that now exists between the advantaged and disadvantaged elements of society.

Broadband access will provide increased opportunities for residents served by World Cable to seek employment, work from home, and study and learn from home through access to on-line educational opportunities for adults and school-aged children alike, and even facilitate over time the provision of telemedicine and other health care benefits within these vulnerable communities.

World Cable encourages NTIA to recognize such proposals as eligible for BTOP funding in an "underserved" area. World Cable also hopes to obtain funding that will allow these vulnerable populations to obtain the customer premises equipment that are also key to their ability to fully utilize the enormous advantages that broadband provides. Indeed, by providing these populations access to the number of applications available to other segments of the populace, and by providing content in their own language, these

<sup>&</sup>lt;sup>2</sup> Mossberger, Caroline J. & Tolbert, Karen, 2006. "New Inequality Frontier: Broadband Internet Access." EPI Working Paper No. 275. Available at <a href="http://www.epinet.org/workingpapers/wp275.pdf">http://www.epinet.org/workingpapers/wp275.pdf</a>.

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residents are able to reduce their overall monthly communication costs, while also accessing the crucial broadband services required in today's economic world.

In conclusion, the term "underserved" must include those populations in urban centers who do not have access to affordable broadband facilities in their residence. The inclusion of these services will allow NTIA to achieve the objectives of the BTOP: increasing employment, introducing access to vulnerable, underserved urban populations, and providing service to those who would not be served during the time frame contemplated by the Act as quickly or as affordably at sustainable rates. We urge NTIA and RUS to include these elements as part of its broad definition of "underserved."

Respectfully,

Bob Rasul M.D.

CEO

World Cable